

Newark

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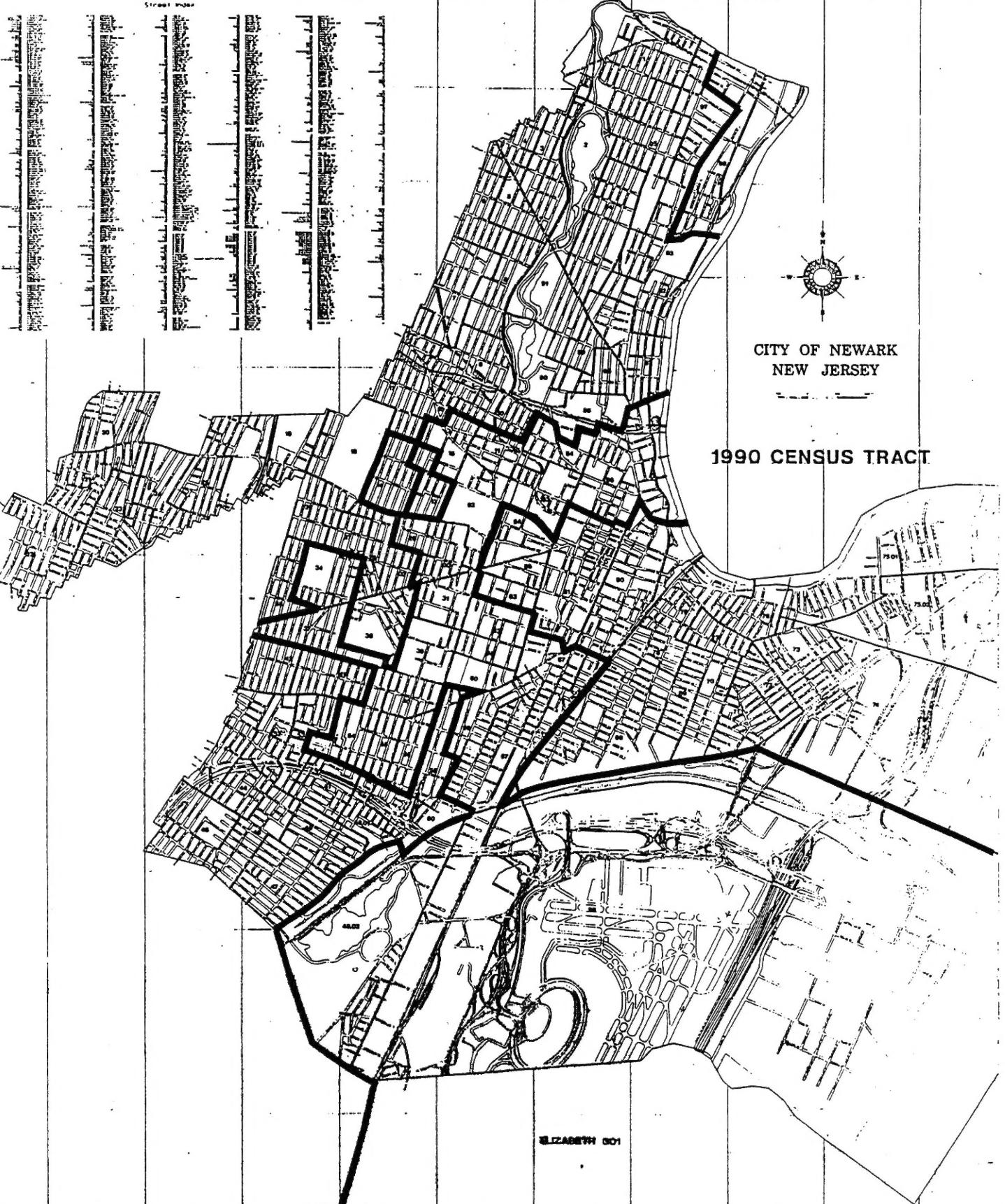
DATE: September 6, 1996

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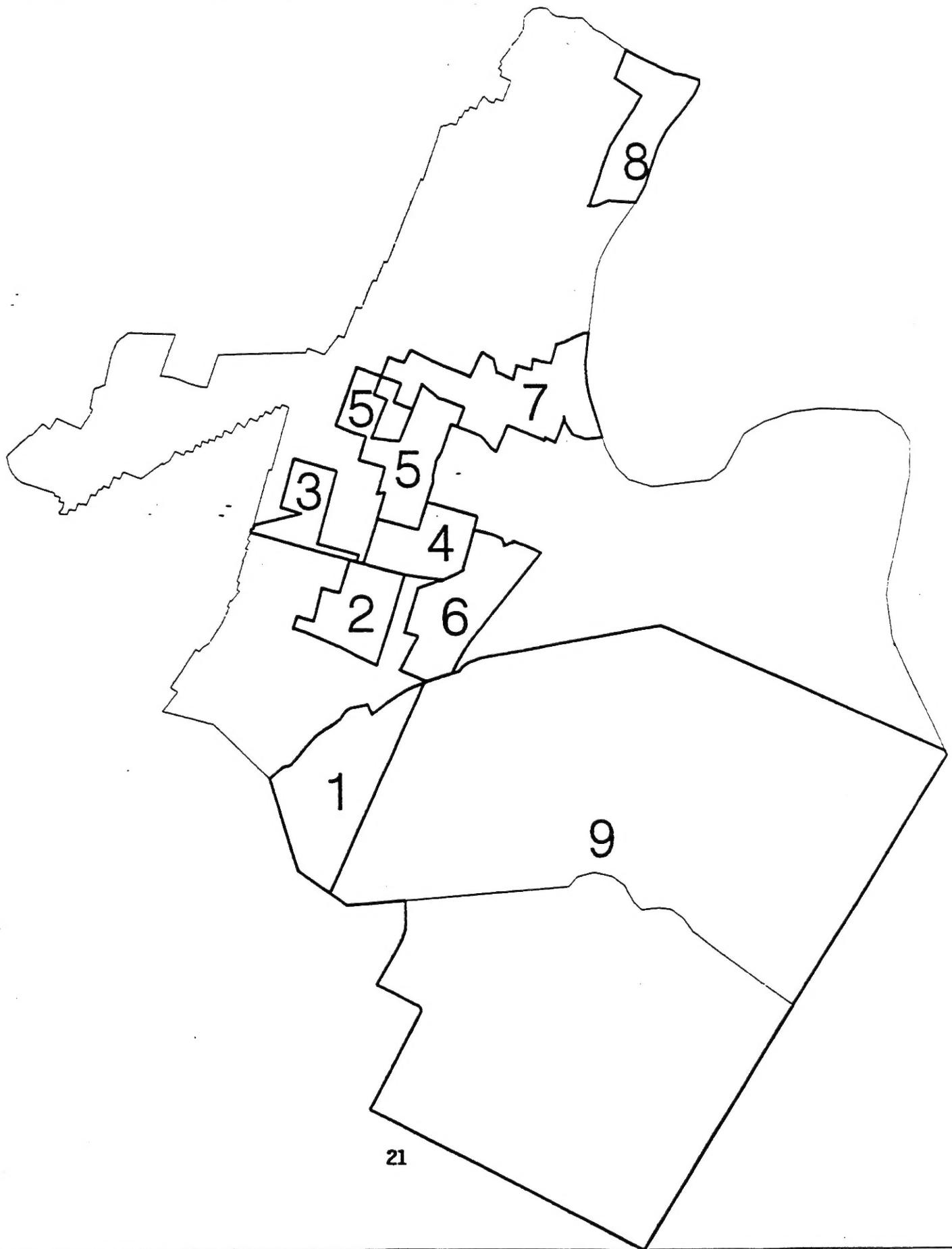
Following is information re: Newark's Enterprise Community. Please find:

- Maps showing the entire City of Newark, the numbered EC Neighborhoods, and the detail map of Neighborhood 7, which is where the NJ Performing Arts Center is located
- Demographic profiles of Newark, the EZ/EC, and a description of Neighborhood 7 (Note: these are available for all neighborhoods if you want them.)
- The EC benchmark information, including a summary status report (economic development initiatives among them) and the benchmarks for economic development activities.

Please contact me if further material is required.

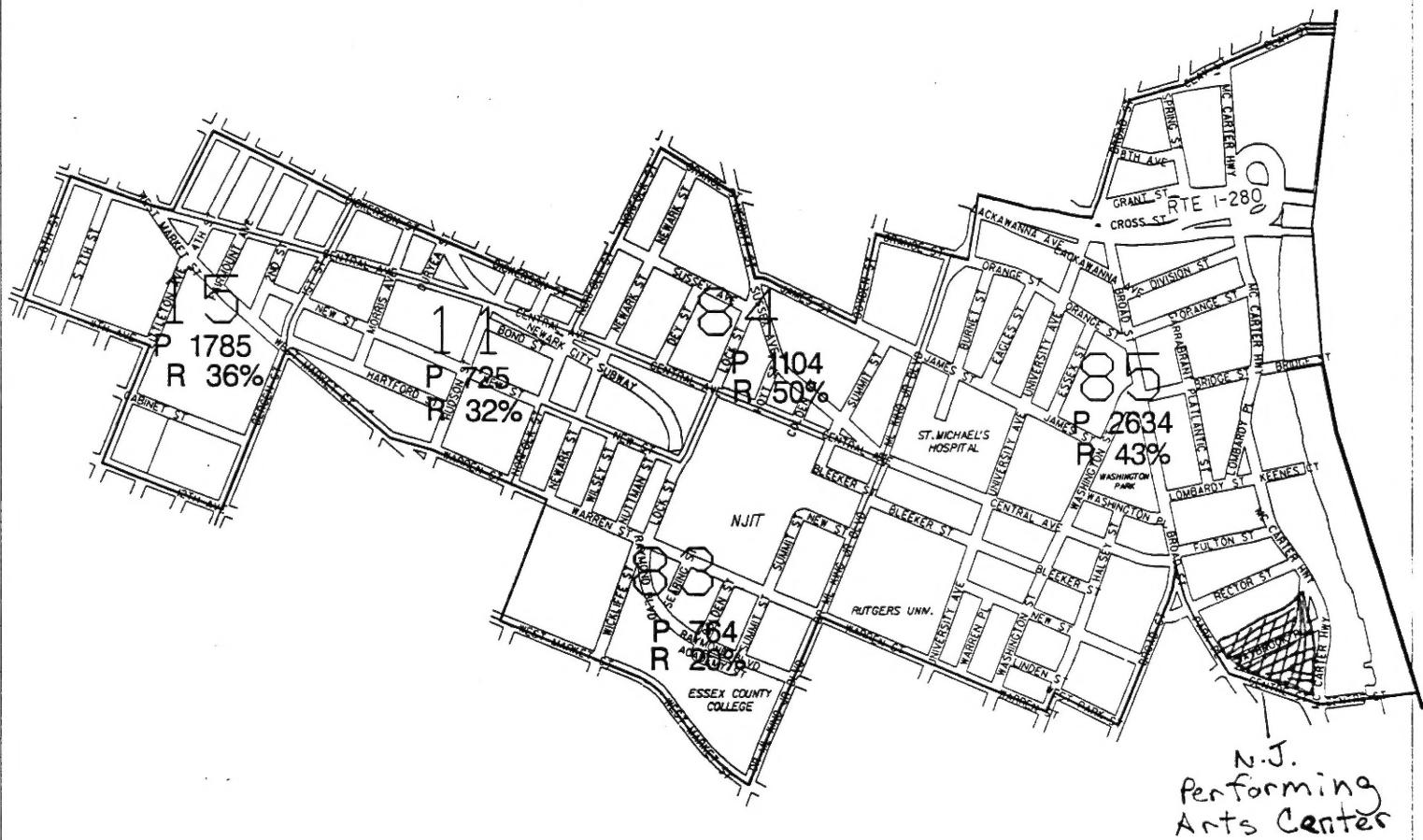


Newark Empowerment Zone Neighborhoods



Neighborhood Seven Arts, Culture and Education

Tract: 11, 15, 83, 84, 85



City of Newark

Demographic Profile - Citywide

| | |
|--------------------------------------|-------------------|
| • TOTAL POPULATION | 275,221 |
| (-) Population in Group Quarters | 8,782 |
| | Subtotal: 266,439 |
| • DENSITY (Persons Per Sq. Mi.) | 11,553 |
| • RACE | |
| White | 78,692 29% |
| Black | 161,084 59% |
| Other Race | 35,445 12% |
| Hispanic (any race) | 69,204 25% |
| • EDUCATIONAL ATTAINMENT | |
| Less Than Complete High School | 79,051 49% |
| High School Graduate | 44,593 28% |
| Some College/College Degree | 38,366 24% |
| • PERSONS | 266,439 |
| Persons Under Age 18 | 78,800 29% |
| Persons Over Age 65 | 25,487 9% |
| Persons Below Poverty | 70,702 26% |
| • HOUSEHOLDS | |
| Total | 90,878 |
| In Family | 63,316 70% |
| Female Householder | 25,899 28% |
| Own Children Under 18 | 15,812 17% |
| Average Household Income | \$27,721 |
| • HOUSING | |
| Vacant | 10,921 11% |
| Owner Occupied | 21,136 21% |
| Renter Occupied | 70,416 69% |
| Owners Paying >30% Income on Housing | 2,457 30% |
| Renters Paying >30% Income on Rent | 28,562 42% |
| • EMPLOYMENT STATUS | |
| Labor Force | 123,808 |
| Participation Rate | 60% |
| Employed | 105,553 51% |
| Unemployed | 18,255 9% |
| Unemployment Rate | 14.7% |

Source: U.S. Census, Table STF 3A, except for Population which is U.S. Census CPH-3 Series

City of Newark

Demographic Profile - EZ/EC Zone

| | | |
|--|-----------|--------|
| • TOTAL POPULATION | | |
| (-) Population in Group Quarters | | 55,213 |
| | | 5,342 |
| | Subtotal: | 49,871 |
| • DENSITY (Persons Per Sq. Mi.) | | 3,572 |
| • RACE | | |
| White | 5,194 | 9% |
| Black | 45,658 | 82% |
| Other Race | 4,589 | 9% |
| Hispanic (any race) | 8,070 | 15% |
| • EDUCATIONAL ATTAINMENT | | |
| Less Than Complete High School | 16,572 | 53% |
| High School Graduate | 8,300 | 27% |
| Some College/College Degree | 6,148 | 20% |
| • PERSONS | 49,871 | |
| Persons Under Age 18 | 16,635 | 30% |
| Persons Over Age 65 | 5,315 | 10% |
| Persons Below Poverty | 21,648 | 42% |
| • HOUSEHOLDS | | |
| Total | 18,247 | |
| In Family | 11,216 | 61% |
| Female Householder | 6,793 | 37% |
| Own Children Under 18 | 4,244 | 23% |
| Average Household Income | \$20,069 | |
| • HOUSING | | |
| Vacant | 3,539 | 16% |
| Owner Occupied | 1,810 | 8% |
| Renter Occupied | 16,183 | 75% |
| Owners Paying >30% Income on Housing | 702 | 39% |
| Renters Paying >30% Income on Rent | 6,732 | 42% |
| • EMPLOYMENT STATUS | | |
| Labor Force | 19,556 | |
| Participation Rate | | 48% |
| Employed | 15,604 | 38% |
| Unemployed | 3,952 | 10% |
| Unemployment Rate | | 20.2% |

Source: U.S. Census, Table STF 3A, except for Population
which is U.S. Census CPH-3 Series

Neighborhood Seven: Arts, Culture and Education (ACE)

Nature of Neighborhood: The ACE neighborhood, census tracts 11, 15, 83, 84 and 85, is located on the border between the central and northern parts of Newark. As its name implies, this neighborhood is the "jewel box" of the Newark Empowerment Zone, as it contains two major university campuses, a restored brownstone historic district, the Newark Museum and Newark Public Library, and the future site for the New Jersey Performing Arts Center. The neighborhood also encompasses the northern part of Newark's downtown business district along Broad Street, and thus includes many retail businesses and offices. Major employers in this area include Mutual Benefit Life, Bell Atlantic, AT&T, and the Veterans Administration. The neighborhood further extends to include a large public housing complex (Baxter Terrace), a large subsidized housing complex (Georgia King Village), and an area of small, wood-frame multi-family houses.

There are several large industrial buildings once used for manufacturing, now mostly empty. There are several small urban parks, as well as playing fields within the campuses. There are two public elementary schools and two public high schools, as well as a private elementary academy. There is a wide variety of churches in both the downtown and residential areas. The planned Science Park high-technology business complex is largely within the ACE neighborhood. Also, the K. Hovnanian organization is developing part of its 1,400 unit market rate condominium complex within the neighborhood. Overall, this neighborhood encompasses a wide variety of need and resource contribution to the Newark Empowerment Zone.

Demographics: The ACE neighborhood has 9,563 residents, or 19.2% of the Zone population. Racial composition is 71% black, with significant Hispanic presence (15%). Residents of this neighborhood are predominantly between the ages of 18 and 65 (72%, versus 60% for the overall Zone). Both youth and elderly are under-represented. Average household income is \$21,685, slightly above the Zone average of \$20,069. The 1990 Census unemployment rate was 20.4%, about the same as the overall Zone (20.2%).

Anchoring and Service Institutions: The designated anchoring institution for the ACE neighborhood is the Community Agencies Corp. of New Jersey, a coalition of youth and social service organizations. A variety of other social service providers are active in this neighborhood, including the United Community Corp., Apostles House (a homeless shelter and food pantry), St. Johns Church (meals program for homeless), Mt. Carmel Guild / Catholic Charities, etc. There are two senior multi-purpose centers, and six day care and child learning centers.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-7000

OFFICE OF THE ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

JUL 10 1996

Mr. Glen A. Grant
Business Administrator
Chair, Newark ECIG
920 Broad Street
Newark, NJ 07102

Dear Mr. Grant:

I am pleased to inform you that we have accepted the ten revised benchmarks submitted with your letter of June 13, 1996 for the City of Newark's Enterprise Community Implementation Group (ECIG).

The benchmarks should be attached to the Memorandum of Agreement (MOA) between the Department of Housing and Urban Development, the State of New Jersey, and the City.

Please ensure that these benchmarks are transmitted to the State agency administering the Social Services Block Grant funds for the ECIG. Mr. Paul Horn, the Generalist assigned to Newark, will continue to work with you and the City to facilitate implementation of the activities reflected in the benchmarks. He can be reached on 617-565-5362 or by fax on 617-565-5442.

Congratulations to Newark for the progress that is being made in your Enterprise Community.

Very sincerely yours,

 
Roy Q. Priest
Director
Office of Economic Development

City of Newark, NJ Enterprise Community

**Benchmarks and Activities
for the
First Two Years of Designation**



**CITY OF NEWARK, NJ - ENTERPRISE COMMUNITY
STATUS REPORT - JUNE, 1996**

Family Development, Neighborhood Development and Economic Development have been the underlying principles of Newark's Enterprise Community throughout the application and planning process. After months of exhaustive discussion and planning related to shifting funding, (originally Newark planned for an Enterprise Zone designation), the benchmarks have been finalized. Newark's benchmarks are designed to underscore these concepts through the provision of enhanced support for anchoring institutions and the nurturing of emerging institutions in our community in order to service residents and help them to achieve these goals. The stress throughout is on economic development, housing and education strategies, agency capacity building, and improved networking among community based organizations to increase service delivery and resource development.

Newark's Enterprise Community Implementation Group gave final approval to its benchmarks and governance structure in June of 1996. Board appointments will be completed by the end of July. Several benchmark activities are ready to be implemented as soon as funds become available. The Newark office of the nationally recognized housing development agency, LISC, is a committed partner in the EC process. LISC has identified existing and potential non-profit housing developers, has developed an RFP for assessment and selection of organizations, and has committed \$560,000 to this process. When EC funds are released they are ready to begin evaluating responses to their RFP and selecting participating organizations for capacity building, which will ultimately result in 200 units of affordable housing.

The Education Task Force has been working on establishing a community school with representatives from education organizations including Cities In Schools, the Newark Public Schools, local colleges and universities, and various CBOS. The Task Force has developed a preliminary RFP which was circulated to every public school within the EC. Packages were received back from interested schools and meetings were held with the principals of these schools. Presently, the Education Task Force is working on refining the community school concept.

In January, 1995, the City of Newark established a Department of Neighborhood Services. This Department consolidates services, namely code enforcement, garbage removal and lot clean-up, that were previously carried out by several municipal divisions. In this way, violations are identified, adjudicated and remediated. Teams will be established to perform focused work in EC neighborhoods in coordination with EC neighborhood representatives and to encourage citizen involvement in neighborhood improvement activities. The

Police Neighborhood Stabilization Unit will also be involved in the intense efforts to partner with the community to transform areas into neighborhoods.

We are continuing a partnership with the City of Elizabeth regarding development of its EC tract, which includes portions of the largest seaport on the eastern seaboard, the Newark International Airport, and significant rail and highway links into the EC. This can become a major source of jobs generation, particularly when stimulated by the tax incentives inherent in the EC program. An agreement has been established for referral of jobs to Newark residents. Given the carefully constructed linkages in our EC program between those responsible for job training, day care, and social services and the economic development program, we anticipate that this agreement will provide substantial job opportunities for residents. Also, this tract of land provides a rare opportunity for a northeastern city, namely a large source of manufacturing, assembly, distribution and warehousing jobs immediately adjacent to high concentrations of the structurally unemployed. Examples of the types of activity include the IKEA site and the Kapkowski Road development project.

The City of Newark recently received approval from the Port Authority of New York and New Jersey to use \$2,750,000 from the City's Community Development Trust Fund to begin to develop the South Ward Industrial Park project. This is slated to be a mixed use, industrial/residential community project. It includes two high-tech industrial buildings and low rent public housing on a site which is a redevelopment area within the EC. The South Ward Industrial Park will produce much needed housing and walk to work employment opportunities. It is expected that 100 construction jobs as well as 300 on-going jobs will result.

By the end of the year, a detailed inventory of residents' social service needs, agencies' capacity, and neighborhood economic development needs will be completed. Computerized networking will enable CBOS to better deliver services through a Family Support Center System, comprised of at least twenty-five CBOS and other social service providers linked to a central data base. A Newark Enterprise Community Resource Development/Capacity Building Center is also planned to provide technical assistance to CBOS, identify and establish relationships with funding sources, and to provide a mechanism to facilitate agency partnerships.

Next year an Economic Development Network strategy will also be developed to disseminate information about job, business, financing, training and other economic development opportunities in the EC for 5,000 residents. In addition, the Economic Development Task Force is developing a strategy that will result in the start up or expansion of at least two EC neighborhood retail services and/or job-generating non-retail businesses in each of the eight EC neighborhoods by the end of 1997.

1. Category of Need: Inadequate communication and coordination between and among cbo's, government agencies, the organized private sector, and economic development agencies results in lost opportunities, needless duplication of services, and diminished effectiveness in delivering services to the EC population.
2. Benchmark: #7 To establish effective communication among economic development stakeholders resulting in information about job, business, financing, training and other economic development opportunities in the EC for 5,000 residents.
3. Baseline: No comprehensive communication tool exists.

Source:

4. Participating Entities: All EC task forces, anchoring institutions, cbo's, banks, state and federal agencies, foundations established and/or new prospective businesses.
5. Benchmark Activity: 7.1 Economic development providers establish an Economic Development Network.

Application Page #: 49

6. Cost/Sources:

| | |
|-----------------------|------------------------------|
| Total Cost: \$600,000 | Resource: \$280,000 EC funds |
| | \$200,000 Private Sector |
| | \$200,000 Other Public |

- 7a. Task/Project: 7.1a Identify groups and individuals in zone and City-wide economic development activities.
- 7b. Start Date: September 1995 End Date: August 1996
- 7a. Task/Project: 7.1b Convene groups and identify services offered and gaps in service.
- 7b. Start Date: September 1996 End Date: December 1996
- 7a. Task/Project: 7.1c Define ability of network to fill gaps and deliver services defined by participants and neighborhood plans.
- 7b. Start Date: December 1996 End Date: March 1997

7a. Task/Project: 7.1d Develop a system of service delivery based on neighborhood and user requirements as defined in neighborhood plans.

7b. Start Date: April 1997 End Date: July 1997

7a. Task/Project: 7.1e Implement system to provide community with comprehensive information about area economic development programs, activities, funds and employment prospects.

7b. Start Date: August 1997 End Date: December 1997

1. Category of Need: Inadequate supply of employment, entrepreneurial opportunities, and capital for EC neighborhood residents to become economically self-sufficient.
2. Benchmark: #8 Improve and deliver relevant job and entrepreneurial training, access to capital, and business information for 2,500 neighborhood residents through Neighborhood Anchoring Institutions, emerging community-based organizations and the Economic Development Network.
3. Baseline: Reduce unemployment in eight EC neighborhoods by 25% and increase neighborhood business formation by 200% over two years.

Source: State Department of Labor statistics.

4. Participating Entities: Newark Economic Development Corporation, anchoring institutions, cbo's, banks, existing neighborhood businesses, Elizabeth and Newark city-wide existing businesses.
5. Benchmark Activity: 8.1 Develop an employment/entrepreneurship plan for each EC neighborhood and the EC as a whole.

6. Cost/Sources:

Total Cost: \$100,000 Sources: EC funds

7a. Task/Project: 8.1a Conduct a detailed jobs, retail services, and Entrepreneurial Opportunity Survey for each EC neighborhood.

7b. Start Date: September 1996 End Date: December 1996

7a. Task/Project: 8.1b Work with the City of Elizabeth to identify jobs for EC residents and incentives for employers such as tax free facility bonding, in the Elizabeth area of the EC.

7b. Start Date: September 1996 End Date: June 1997

7a. Task/Project: 8.1c Work with major facilities such as Port Newark/Elizabeth, Newark International Airport employers, universities, and hospitals within the EC to identify jobs, career paths, and training needs for EC residents.

7b. Start Date: September 1996 End Date: June 1997

7a. Task/Project: 8.1d Identify employment opportunities in targeted employment growth areas such as South Ward Industrial Park, Science Park, and NJ Performing Arts Center.

7b. Start Date: September 1996 End Date: December 1996

1. Category of Need: Inadequate availability of loan capital, construction bonds, performance guarantees, and business services for qualified applicants for EC neighborhood retail services and job generating non-retail businesses.
2. Benchmark: #9 Start up or expand at least two essential EC neighborhood retail services and/or job-generating non-retail businesses in each of eight EC neighborhoods.
3. Baseline: Sixteen or more new or expanded essential retail or non-retail service businesses.

Source: Committee projections.

4. Participating Entities: Newark Economic Development Corporation (Title IX USEDA Revolving Loan Fund), EC SSBG, local banks.
5. Benchmark Activity: 9.1 Capitalize and operate a \$2,000,000 Revolving Loan Program to provide loan capital, construction bonds, and performance guarantees.

Application Page # 70

6. Cost/Sources:

| | |
|------------------------|---------------------------|
| Total Cost \$2,000,000 | Resource: \$500,000 USEDA |
| | \$500,000 EC funds |
| | \$1,000,000 Private |

- 7a. Task/Project: 9.1a Plan and execute loan agreements with City of Newark, USEDA, and banks.
- 7b. Start Date: September 1996 End Date: March 1997
- 7a. Task/Project: 9.1b Market loan availability to targeted business in EC neighborhoods.
- 7b. Start Date: April 1997 End Date: December 1997
5. Benchmark Activity: 9.2 Start up or expand at least two essential EC neighborhood retail services and/or job-generating non-retail businesses in each of the EC neighborhoods.

Application Page #: 72

- 7a. Task/Project: 9.2a Energy incentives
- 7b. Start Date: April 1997 End Date: December 1997